

Blanket Order Training Program

BLANKET ORDERS

A Blanket Order agreement is a formal contract with a vendor that sets terms and conditions for procuring goods or services as defined in the contract.

A blanket order (or release) is a delivery order placed against a Blanket Order agreement

Blanket Order agreements are established:

- When repetitive purchases are made for specific items, services or categories of items from the same vendor over a period of time
- By Purchasing personnel in accordance with the Federal Acquisition Regulation (FAR) and NCI contract requirements
- For the convenience of program areas to enable direct ordering
- To streamline the ordering process
- To receive a more favorable price and/or discount through volume commitments

Users

User/requester is authorized to place orders and request services

User/buyer is authorized to place orders, request services AND enter purchase order/release into SmartStream

Responsibilities

Note: the procurements are the same regardless of the procurement method, i.e. by purchase request, blanket order or purchase card.

- Selecting vendor:

Multiple Blanket Order agreements are established with several vendors for the same item or item category; for example, chemicals, enzymes, media, etc. When selecting a vendor, each user must determine if the item purchased from that particular vendor is the best value/most competitive, thus assuring competitiveness compliance. The determination may be based on price, availability, functionality, past experience, etc. Written documentation, while not required, may be helpful if questions arise as to why one vendor was selected over another.

Give preference to minority, small and women owned businesses. Refer to the blanket order list for vendor classification.

- Check the blanket order list and the blanket order comment section for the items or item categories that are allowable before placing order

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- Adhere to all blanket order policies, procedures and guidelines
- Assign the correct purchase order/release number when placing orders. Use the 3-digit user ID of the person who phoned in the order (not necessarily the requester)
- User/requesters must complete the Blanket Order Release Form and forward it to the User/buyer immediately after the order is placed.
- User/buyers must enter releases the same day the order is placed. Orders not in SmartStream cannot be received and delivered to the requestor.

BLANKET ORDER LIST

- See Procedure – Retrieving Blanket Order List
- See Procedure – Viewing Blanket Orders
- Types of blanket orders

Amount – set up for a dollar amount determined by Purchasing personnel

Quantity – set up for specific line items with fixed cost

- Descriptions

General – biologicals, office supplies (see item number listing for definitions)

Items as listed – specific items only (refer to procedure Viewing Blanket Orders)

- Classifications – give preference to vendors with MIN, SML, and WOB. If no classification listed, vendor is a large business
- Questions about report – call Lori Smith, ext. 1705.

Viewing blanket orders

- Comments

Blanket Orders have comments that must be reviewed before placing orders.

Comments should be printed and kept on file for reference

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PLACING ORDERS

- Identify yourself (name and SAIC-Frederick, Inc.)
- State that you are placing an order
- If applicable give account number and/or quote number (listed on blanket order report and/or in the blanket order comments section)
- Give correct purchase order/release number. For example LAS0103261

| | |
|------------------------------|------|
| 3-digit user ID | LAS |
| 2-digit <u>contract</u> year | 06 |
| 4-digit date placed | 0326 |
| sequential number | 1 |

| | |
|--------------------------------|------------|
| First order placed on 3/26/01 | LAS0503261 |
| Second order placed on 3/26/01 | LAS0503262 |

- Give catalog number, item description, size, unit of measure, quantity, etc.
- Ask for pricing and availability
- Give complete ship to address: NCI-Frederick
ATTN: PO # xxx / requester name
Building 1050 Boyles Street
Frederick MD 21702-1201
Requester bldg/room #
- Ask vendor to reference all of the ship to information above on all packages, mailing labels, packing slips and invoices
- Ask to whom you are speaking
- Ask for reference number (not all orders will have a reference number)
- Note any additional charges (special handling, overnight shipments, etc)

It is very important that all these points are covered and the information is correct.

RETURN OF GOODS PROCEDURE

Discrepancies, returns and replacements are handled by the users as follows:

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DAMAGED ITEM/VENDOR SHIPPED WRONG ITEM

If you receive a damaged item or the condition is not acceptable or if the vendor ships the wrong item, **notify the Receiving Department immediately.**

Receiving Department responsibility:

Pick up item from the requestor
Forward item to Transportation for return shipment to vendor
Return item in system
Make applicable return comments in system

ITEM ORDERED INCORRECTLY – NO REPLACEMENT EXPECTED

If an item was ordered in error and you do not want a replacement -

User/Buyer responsibility:

Contact vendor to make arrangements for return
Initiate Return of Goods Form

<http://web.ncifcrf.gov/campus/safety/wizard/return/>

This form must be completed on-line for returning of goods from the NCI-Frederick.

If vendor charges a restocking fee, add line to existing Blanket Order Release (see Change Order Procedure – Add Line)
Enter applicable comments on Blanket Order Release

Receiving Department responsibility:

Pick up item from the requestor
Forward item to Transportation for return shipment to vendor
Send copy of Return of Goods Form to Accounts Payable
Return item in system
Make applicable return comments in system

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ITEM ORDERED INCORRECTLY – NEW ITEM AS REPLACEMENT

If an item was ordered in error and you want another item as the replacement -

User/Buyer responsibility:

Contact vendor to make arrangements for return and order replacement
Initiate Return of Goods Form

<http://web.ncifcrf.gov/campus/safety/wizard/return/>

This form must be completed on-line for returning of goods from the NCI-Frederick.

Enter new line on Blanket Order Release for replacement and new line for any restocking fees (see Change Order Procedure – Add Line)
Enter applicable comments on Blanket Order Release

Receiving Department responsibility:

Pick up item from the requestor
Forward item to Transportation for return shipment to vendor
Send copy of Return of Goods Form to Accounts Payable
Return item in system
Make applicable return comments in system

NOTE: If you contact a vendor to return an item and it's a small dollar amount, the vendor may tell you to keep it at "no charge". A Return of Goods Form is still required

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UNALLOWABLE PURCHASES

The below items CANNOT be ordered even if they are available from an established blanket order vendor:

- Personal items such as coffee pots, food/drink (except as allowed for specific areas), greeting cards, medications (except for animals), paper supplies (napkins, plates, forks, spoons), pictures, plants, stationary, toasters.
- Business cards
- Capital equipment
- Controlled substances
- Ethyl alcohol
- Prescription safety glasses
- Radioisotopes
- Services usually provided by FME through work orders
- Items/item categories that are NOT listed on the blanket order report or in the comments section
- Items specifically stated in the blanket order comments section as NOT authorized to purchase
- Orders placed by individual who have not been authorized as a user/requestor or user/buyer

Purchases not within these guidelines are considered an unauthorized procurement and require NCI contracting office approval (COA) before payment can be made to the vendor.

Do's and Don'ts

- Do**
- Use the current contract year blanket orders
 - Print a blanket order list periodically throughout the contract year
 - Review blanket order comments before placing orders
 - Use the correct purchase order/release number according to date of order
 - Give correct deliver-to information
 - Inspect all deliveries. Contact the Receiving department if there is a discrepancy
 - Notify Purchasing if a user/buyer or user/requestor is no longer a user of the Blanket Order Program
 - Enter the blanket order release the same day that the order was placed.
 - Date, sign and send invoice to A/P for invoices provided directly from vendor, such as for pickups (only when authorized on a blanket)

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- Don't** Place orders against expired or previous contract year blanket orders
Place orders unless you have been authorized as a user/requester or user/buyer
Order items listed as unallowable
Wait until the invoice arrives to enter your blanket order release
Change the bill to address unless authorized in the comments for that specific Blanket Order.
Place orders for capital equipment (any system \$5K or more)

BLANKET ORDER RELEASES

- Releases must be entered into SmartStream the same day the order is placed. Orders not in SmartStream cannot be received and delivered to the requestor
- Use correct purchase order/release number
- Always enter the release with the same purchase order number that was given to vendor at the time the order was placed, even if it is not correct
- Assign correct item number – refer to **Item Number section** for detailed descriptions
- Ensure that signature authority (the same as for purchase requests) exists for the center number that is being used on the release
- Releases must be entered by the line items ordered, not by one line for the total cost of all items ordered.
- Applicable freight, tax and miscellaneous charges such as dry ice are not to be entered on the release. These charges are to be entered as comments
- Matching Exceptions

Occur when there is a discrepancy between the purchase order unit price and the invoice unit price

User/buyer must check their To-Do List on a daily basis

User requester and/or user buyer may need to contact vendor to confirm price

User/buyer must resolve matching exceptions as soon as possible

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Price increases should only be approved for data entry errors

SmartStream comments must include name of person entering information, date, detailed information on whether and why invoice should be paid or cancelled

For auditing purposes, back-up documentation and/or applicable PO comments are required for ALL matching exceptions

- Past Due Report

Lists all blanket order release lines that have not been completely received

Located under the activity **NCI-FCRDC Online Center Requests**

Review report:

If item still needed, expedite with vendor

If item no longer required, contact vendor and cancel line

PO lines not received continue to encumber funds in the budget

INVOICES

Vendors must send invoices to Accounts Payable. A few exceptions exist for some services, but the Blanket Order comments in Smartstream must indicate that the invoices can be sent to other than our Accounts Payable Department.

For invoices that should be sent to the program area, the program area must ensure the following occurs prior to sending to the Accounts Payable Department.

1. Time and Date Stamped
2. Approved with a legible signature by the person authorized on the center number
3. Blanket Order Release number appears on the invoice (highlight or add as necessary).

Requestors who receive invoice when they pick the printing services, courier services, etc. must provide blanket PO number, date, and sign invoice (the signature of the person authorized for the center number) and send to A/P immediately.

Should these Blanket Order procedures not be followed in a prudent manner, the blanket order privileges may be suspended until the issues are resolved. It may be necessary for the user/buyer to attend a Blanket Order training session again prior to having these privileges reinstated.